# Health Services and Development Agency Communique

## A MONTHLY PUBLICATION OF THE HEALTH SERVICES AND DEVELOPMENT AGENCY

Frost Building, Third Floor 161 Rosa L. Parks Boulevard Nashville, TN 37243 615.741.2364

> AUGUST 2013

For Meeting verification/change or agenda information, please call the Agency Office or check our website at <a href="https://www.tn.gov/hsda">www.tn.gov/hsda</a>

#### **HEALTH SERVICES & DEVELOPMENT AGENCY**

Tennessee Department of Health
Division of Policy, Planning and Assessment
Health Statistics --- 615.741.1954

Tennessee Department of Mental Health and Substance Abuse Services
Office of General Counsel --- 615.532.6520
Main Office --- 615.532.6500

Tennessee Department of Intellectual and Development Disabilities
Office of General Counsel --- 615.253.8731
Main Office --- 615.532.6500 or 800.535.9725

#### **CALENDAR**

#### The Health Services and Development Agency will be closed in 2013 on the following days:

Tuesday, January 1 – New Year's Day Monday, January 21 – Martin Luther King Day Monday, February 18 – President's Day Friday, March 29 – Good Friday Monday, May 27 – Memorial Day Thursday, July 4 – Independence Day Monday, September 2 – Labor Day \* Monday, October 14 – Columbus Day "substituted for the day after Thanksgiving at the Governor's discretion."
 Monday, November 11 – Veteran's Day
 Thursday, November 28 – Thanksgiving Day
 \* Friday, November 29 – substituted for Columbus Day
 Wednesday December 25 – Christmas Day

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	<b>Publication Dates-</b>		HSDA	* End of
<b>2013 Cycle</b>	Letter of Intent	<b>Application</b>	<b>Meeting Dates</b>	<b>Appeal Period</b>
January 2013	12/01/12-12/10/12	5 days after Publication	03/27/13	04/11/13
February 2013	01/01/13-01/10/13	"	04/24/13	05/09/13
March 2013	02/01/13-02/10/13	"	05/22/13	06/06/13
April 2013	03/01/13-03/10/13	"	06/26/13	07/11/13
May 2013	04/01/12-04/10/13	"	07/24/13	08/08/13
June 2013	05/01/12-05/10/13	"	08/28/13	09/05/13
July 2013	06/01/12-06/10/13	"	09/25/13	10/10/13
August 2013	07/01/12-07/10/13	"	10/23/13	11/07/13
September 2013	08/01/12-08/10/13	"	11/20/13	12/05/13
October 2013	09/01/12-09/10/13	"	12/18/13	01/02/14
November 2013	10/01/12-10/10/13	"	01/22/14	02/06/14
December 2013	11/01/12-11/10/13	"	02/26/14	03/13/14

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the <u>preceding</u> business day.

#### STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, FROST BUILDING, THIRD FLOOR, 161 ROSA L. PARKS BOULEVARD, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR: JAMES CHRISTOFFERSEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, FROST BUILDING, THIRD FLOOR, 161 ROSA L. PARKS BOULEVARD, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

<sup>\*</sup> Appeal deadline is 15 days after meeting date

# HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meetings are scheduled to be held at 8:30 a.m. CDT/CST at the following locations:

#### <u> August – December</u>

Legislative Plaza
Room 12
Sixth Avenue North & Union Street
Nashville, TN

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\* Meeting locations are subject to change

\*\* All meetings of the Health Services and Development Agency are
posted on the Agency's website at www.tn.gov/hsda

#### **EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:**

#### PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be Heard. The parties are encouraged to provide 27 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.

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#### RESULTS OF APPLICATIONS HEARD AT THE JULY MEETING

Medical Care, PLLC 1500 West Elk Avenue Elizabethton (Carter County), TN 37643 CN1303-006

Contact Person: Rachel C. Nelley, Esq.

Phone: 615-274-4838

**DENIED** 

Summit Medical Center 5655 Frist Boulevard Hermitage (Davidson County), TN 37076 CN1304-011

Contact Person: John L. Wellborn, Consultant

Phone: 615-665-2022

**APPROVED** 

Wellmont Cardiology Services, Inc. 2050 Meadowview Parkway Kingsport (Sullivan County), TN 37660 CN1304-013

Contact Person: John L. Wellborn, Consultant

Phone: 615-665-2022

**APPROVED** 

Molecular Imaging Alliance 701 N. State of Franklin Road, Suite 1 Johnson City (Washington County), TN 36404 CN1304-014

Contact Person: John L. Wellborn, Consultant

Phone: 615-665-2022

**APPROVED** 

**GENERAL COUNSEL'S REPORT** 

East Tennessee Radiation Therapy Services, LLC 1415 Old Wesigarber Rd., Suite 250 Knoxville, TN 37909 CN01108-030AD

Contact Person: W. Brantley Phillips, Esq.

Phone: 615-742-6200

REVIEW OF ORDER BY AGENCY GRANTED

The initiation of magnetic resonance imaging (MRI) services for the patients of Medical Care, PLLC and the acquisition of a MRI unit at 1500 West Elk Avenue, Elizabethton (Carter County), Tennessee 37643. The estimated project cost is \$838,543.

To convert eight (8) inpatient psychiatric beds to medical surgical beds, and convert twelve (12) inpatient psychiatric beds into a new twelve (12) bed acute inpatient rehabilitation unit at the campus of TriStar Summit Medical Center. The estimated project cost is \$4,933,576.

The initiation of cardiac PET services by acquiring an existing PET system located in Gray, Tennessee and relocating the unit to 2050 Meadowview Parkway, Kingsport (Sullivan County), TN 37660. The applicant will establish an outpatient diagnostic center (ODC) if required by the Tennessee Department of Health. The estimated project cost is \$1,074,000.

The relocation of an Outpatient Diagnostic Center (ODC) with cardiac PET scanning from 830 Suncrest Drive, Suite 1, Gray (Washington County), TN to 701 N. State of Franklin Road, Suite 1, Johnson City (Washington County), TN. The estimated project cost is \$495,339.

Request by East Tennessee Radiation Therapy Services, LLC, for the Agency to review the Administrative Law Judge's Initial Order denying a certificate of need to establish an ambulatory surgical treatment center, acquire a linear accelerator and initiate radiation therapy services at a specific location in the Dowell Springs area of Knoxville, Tennessee.

If the request is granted, the Agency will review the Initial Order and evidence in the record at a later date, to be determined by the Chair, and will issue a Final Order after argument by the parties.

The Agency may, in its discretion, decline to exercise any review of an Initial Order issued by an Administrative Judge, in which event the Initial Order shall become a Final Order. Parties can appeal a Final Order to the Davidson County Chancery Court.

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#### APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

Spinal Health Care Associates, P.C. 8132 Cordova Road, Suite 101 Cordova (Shelby County), TN 38106 CN1212-060

Contact Person: E. Graham Baker Jr., Esq.

Phone: 615-370-3380

DEFERRED FROM THE MAY MEETING WITHDRAWN

The establishment of a specialty ASTC providing only manipulation under anesthesia (MUA) services in one (1) procedure room in Cordova (Shelby County), TN. The estimated project cost is \$472,667.

Blount Memorial Hospital 266 Joule Street Alcoa (Blount County), TN 37701 CN1305-015

Contact Person: Jane Nelson, Assistant Administrator

Phone: 865-981-2310

The relocation and upgrade of an existing outpatient MRI unit from Blount Memorial Springbrook Health Center located at 220 Associates Blvd, Alcoa (Blount County), TN to Blount Memorial's East TN Medical Group site at 266 Joule Street, Alcoa (Blount Count), TN 37701. If approved, the applicant will discontinue MRI services at the Blount Memorial Springbrook Health Center location. The estimated project cost is \$2,214,216.

Cookeville Regional Medical Center 1 Medical Center Boulevard Cookeville (Putnam County), TN 38501 CN1305-016 Contact Person: Paul Korth, CEO

Phone: 931-783-2000

The modification to existing hospital costing in excess of \$5 million. The project includes the renovation and expansion of the Central Sterile Supply Department as well as the replacement of equipment within the Central Sterile Supply Department, and the relocation and expansion of the Pharmacy Department. The hospital is located at 1 Medical Center Boulevard, Cookeville (Putnam County), TN 38501. The estimated project cost is \$11,547,625.

ADC Recovery and Counseling Center 4539 Winchester Road, Building B, Suite 1 Memphis (Shelby County), TN 38118 CN1305-018

Contact Person: John L. Wellborn, Consultant

Phone: 615-665-2022

The relocation of an existing non-residential substitution-based treatment center for opiate addiction from 3041 Getwell Road, Suite 101, Memphis (Shelby County), TN 38118 to 4539 Winchester Road, Building B, Suite I, Memphis, TN 38118. The estimated project cost is \$961,168.

Raleigh Professional Associates 2165 Spicer Cove, Suite 9, Building E Memphis (Shelby County), TN 38134 CN1305-019

Contact Person: John L. Wellborn, Consultant

Phone: 615-665-2022

The relocation of an existing non-residential substitution-based treatment center for opiate addiction from its current site at 2960-B Old Austin Peay Highway, Memphis (Shelby County), TN to 2165 Spicer Cove, Suite 9, Memphis (Shelby County), TN 38134. The estimated project cost is \$1,136,905.

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#### APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

#### **GENERAL COUNSEL'S REPORT**

Rosewood Manor Unaddressed site between Old Kedron Road & Port Royal Road Spring Hill (Maury County), TN CN0703-021A Contact Person: Jerry W. Taylor, Esq. Phone: 615-782-2200

University of Tennessee Medical Center 1924 Alcoa Highway Knoxville (Knox County), TN CN1005-022A Contact Person: Jerry W. Taylor, Esq.

Phone: 615-782-2200

Baptist Memorial Hospital for Women 6225 Humphreys Blvd.
Memphis (Shelby County), TN CN1211-058A
Contact Person: Dan H. Elrod, Esq. Phone: 615-651-6700

Johnson City Medical Center 400 North State of Franklin Road Johnson City (Washington County), TN CN1106-021A Contact Person: Dan H. Elrod, Esq.

Phone: 615-651-6700

Request for a twenty-four (24) month extension of the expiration date from September 1, 2013 to September 1, 2015: This project was approved by unanimous vote on July 25, 2007 for the replacement and relocation of the existing nursing home, and the addition of thirty (30) Medicare certified skilled nursing beds for an increase in licensed beds from sixty-eight (68) beds to ninety-eight (98) SNF beds with an estimated project cost of \$10,668.976. Original expiration date of September 1, 2009 was extended to September 1, 2011 on July 22, 2009 by a vote of 6-2-0 and extended to September 1, 2013 on July 27, 2011 by unanimous vote.

Request for an eighteen (18) month extension of the expiration date from October 1, 2013 to April 1, 2015: This project was approved by unanimous vote on August 25, 2010 for construction of an addition to the existing surgery facilities to house thirteen (13) new operating rooms (ORs) and renovation of three (3) small ORs for a net addition of ten (10) ORs and one (1) endovascular suite with an estimated project cost of \$18,432,272.

Update on status of and changes in the project, and if needed modifications of the CON to include two (2) additional floors of shelled space to be used for physician offices with a projected cost increase of \$3,409,200: This project was approved by unanimous vote on February 27, 2013 for the construction of an Emergency Department dedicated for pediatric patients and the initiation of magnetic resonance imaging (MRI) services with an estimated project cost of \$14,105,241.

Update on status of and changes in the project, and if needed modifications of the project: This project was approved by unanimous vote on September 28, 2011 for the renovation and expansion of the current radiation oncology department in the main campus building of Johnson City Medical Center ("JCMC") with an estimated project cost of \$14,999,924.

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#### APPLICATIONS TO BE HEARD AT THE SEPTEMBER MEETING

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim 1805 N. Jackson St., Suites 5 & 6 Tullahoma (Coffee County), TN 37388 CN1306-020

Contact Person: Kim Harvey Looney, Esq.

Phone: 615-850-8722

**CSPM Surgery Center** 7446 Shallowford Road, Suite 102 Chattanooga (Hamilton County), TN 37421 CN1306-021 Contact Person: Douglas S. Griswold, Esq.

Phone: 423-757-0262

The Health Center of Hermitage Unaddressed site at Bell Road south of Woodland Point Drive and north of Couchville Pike Nashville (Davidson County), TN 37201 CN1306-022

Contact Person: Bruce K. Duncan, Assistant

Vice President Phone: 615-890-2020

GENERAL COUNSEL'S REPORT

Shelby County Health Care Corporation d/b/a Regional Medical Center (The Med") 877 Jefferson Avenue Memphis (Shelby County), TN 38103 CN1208-037A Contact Person: E. Graham Baker, Jr., Esq.

Phone: 615-370-3380

The initiation of hospice services in Decatur, Hardin, Humphreys, Perry, and Wayne Counties. Hospice Compassus is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore Counties. The estimated project cost is \$63,000.

The establishment of a single specialty ambulatory surgical treatment center limited to pain management with one (1) operating room limited to patients of Center for Spine and Pain Medicine, P.C. at 7446 Shallowford Road, Suite #102, Chattanooga, TN 37421. The estimated project cost is \$683,350.

Pursuant to T.C.A.§ 68-11-1631 which permits the qualified partial relocation of 60 of the 150 nursing home beds approved but unimplemented from CN1107-024A and the addition of 30\* new Medicare-certified skilled nursing home beds for a total 90 Medicare-certified skilled bed nursing home. The estimated project cost is \$20,142,000.

\* These beds are subject to the 2012-2013 Nursing Home Bed Pool.

Update on status of and changes in the project, and if needed, modifications of the project: This project was approved by unanimous vote on November 12, 2012 for the following: a) The conversion of ten (10) med/surg beds to rehab beds; b) the relocation of its existing twenty (20) bed rehab unit, after which a thirty (30) bed rehab unit be operated in Turner Tower; c) the addition of three (3) operating rooms to be dedicated to outpatient surgery operated in Turner Tower; d) the general renovation of Turner Tower, including the buildout of unused space for a twentyfour (24) bed unit which will be utilized as med/surg hospital beds; and e) the relocation of an existing ten (10) bed med/surg unit to Turner Tower, which will result in six (6) staffed med/surg beds with an estimated project cost of \$28,400,000.

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#### APPLICATIONS TO BE HEARD AT THE OCTOBER MEETING

Community Hospices of America-Tennessee, LLC d/b/a Hospice Compassus-The Highland Rim 1805 N. Jackson St., Suites 5 & 6 Tullahoma (Coffee County), TN 37388 CN1307-023

Contact Person: Kim H. Looney, Esq. Phone: 615-850-8722

The addition of Lincoln County to the service area of Hospice Compassus which is currently licensed in Bedford, Cannon, Coffee, Franklin, Giles, Grundy, Hickman, Lawrence, Lewis, Marshall, Maury, and Moore counties. The estimated project cost is \$28,000.00.

Shannondale Rehabilitation Center 7510 & 7522 Middlebrook Pike Knoxville (Knox County), TN 37909 CN1307-024

Contact Person: William R. Thomas, Jr., President/CEO

Phone: 865-690-3411

The establishment of a new thirty (30)\* bed Medicare skilled nursing home to be known as Shannondale Rehabilitation Center. The facility will be located on the campus of Shannondale Continuing Care Retirement Community at 7510 and 7522 Middlebrook Pike, Knoxville (Knox County), TN. The estimated project cost is \$6,609,488.00.

These beds are subject to the 2013-2014 Nursing Home Bed Pool.

NHC/Maury Regional Transitional Care Center 5004 Trotwood Avenue Columbia (Maury County), TN 38401 CN1307-025

Contact Person: Bruce K. Duncan, Assistant

Vice President Phone: 615-890-2020 The establishment of a 112-bed\* Medicare skilled nursing home to be known as NHC/Maury Regional Transitional Care Center pursuant to T.C.A. § 68-11-1627 which permits the replacement of one or more currently licensed nursing homes with one single nursing home. The new facility will be created by relocating and replacing the 92-bed NHC Healthcare, Hillview and the 20-bed Maury Regional Hospital Skilled Nursing Unit to an 11 acre site at 5004 Trotwood Avenue, Columbia (Maury County), TN. The estimated project cost is \$18,161,672.00.

\* These beds are not subject to the 2013-2014 Nursing Home Bed Pool.

Maury Regional Hospital d/b/a Maury Regional Medical Center 808 South James Campbell Boulevard Columbia (Maury County), TN 38401 CN1307-026 Contact Person: David Thomas, Director,

Cancer Center

Phone: 931-380-4057

The relocation of two (2) linear accelerators and a mobile positron emission tomography (PET) scanner from the main Maury Regional Medical Center campus at 1224 Trotwood Avenue, Columbia (Maury County), TN to Maury Regional Cancer Center located at 808 South James Campbell Blvd, Columbia (Maury County), TN. As part of the project, MRMC will replace one of its linear accelerators. The estimated project cost is \$7,742,231.00.

Chattanooga-Hamilton County Hospital Authority d/b/a Erlanger Medical Center 975 East 3rd Street Chattanooga (Hamilton County), TN 37403 CN1307-027

Contact Person: Joseph M. Winick, Sr. Vice President

Phone: 423-778-7274

The initiation of positron emission tomography (PET) services and the acquisition of a PET/CT Scanner. The estimated project cost is \$4,307,699.00.

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#### APPLICATIONS TO BE HEARD AT THE OCTOBER MEETING

Seton Corporation d/b/a Saint Thomas Midtown Hospital f/k/a Baptist Hospital 2000 Church Street Nashvolle (Davidson County), TN 37236

CN1307-028

Contact Person: Barbara Houchin, Executive Director,

Planning

Phone: 615-284-6849

The modification of the hospital by replacing and relocating four (4) operating rooms. The estimated project cost is \$11,499,496.00.

Baptist Plaza Surgicare
Unaddressed site at the northeast corner of
Church Street and 20th Avenue North
Nashville (Davidson County), TN 37203
CN1307-029
Contest Person: Corpy Bidguey Market Preside

Contact Person: Corey Ridgway, Market President

Phone: 615-376-7300

The relocation and replacement of the existing ASTC from 2011 Church Street, Medical Plaza I Lower Level, Nashville (Davidson County), TN 37203 to the northeast corner of the intersection of Church Street and 20th Avenue North, Nashville (Davidson County), TN 37203. The facility will be constructed in approximately 28,500 SF of rentable space in a new medical office building and will contain nine (9) operating rooms and one (1) procedure room. The estimated project cost is \$29,836,377.00.

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#### **APPEALS OF AGENCY DECISIONS**

FACILITY	DOCKET #	DESCRIPTION	MEETING Date
Baptist Memorial Hospital-Huntingdon Huntingdon, Carroll County CN1205-021A	25.00-118927J	Appeal of Approval of CON	9/26/2012
HealthSouth Rehabilitation Hospital of Williamson County Franklin, Williamson County CN1012-059A	25.00-111868J	Appeal of Approval of CON	3/23/2011
Middle Tennessee Rehabilitation Hospital, LLC Franklin, Williamson County CN1012-055D	25.00-111868J	Appeal of Denial of CON	3/23/2011
Select Specialty Hospital-Memphis Memphis, Shelby County CN11212-062A	25.00-121598J	Appeal of Approval of CON	5/22/2013
Tri-Cities Holdings LLC d/b/a Trex Treatment Center Johnson City, Washington County CN1303-005	T.B.A.	Appeal of Denial of CON	6/26/2013

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#### **NOTES:**

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## Health Services and Development Agency Members

D. Lynn Johnson (Consumer, Speaker of the House)

Charlotte C. Burns (Hospital)

Claudia H. Byrd (Consumer, Speaker of the Senate)

Robert Doolittle (Consumer, Governor)

Barrett G. Haik, M.D. (Physician)

Thom Mills (Home Care)

Mark Flora, M.D.
(Ambulatory Surgical Treatment Centers)

James L. Wright (Nursing Home)

Keith Gaither, Designee for Director of TennCare Darin J. Gordon

Lisa Jordan, Designee for Commerce & Insurance Commissioner Julie Mix McPeak

> Elisha Hodge, Designee for Comptroller Justin Wilson

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